

# **Historic, Archive Document**

Do not assume content reflects current  
scientific knowledge, policies, or practices.



# SUGAR REPORTS

U. S. DEPARTMENT OF AGRICULTURE - COMMODITY STABILIZATION SERVICE  
SUGAR DIVISION

WASHINGTON, D. C.

JANUARY 1957

NO. 57

## CONTENTS

	<u>PAGES</u>
1. MARKET REVIEW	2 - 5
2. VISIT OF CUBAN OFFICIALS	5 - 6
3. GROWER'S SHARE AND MARKETING MARGINS FOR SUGAR	6 - 17
4. ADMINISTRATIVE ACTIONS	18 - 19
5. STATISTICAL SERIES	20 - 29
(a) Highlights	20
(b) Receipts and meltings January-November 1956, deliveries by primary distributors December and January-December 1956 and 1955, stocks at selected dates 1956 and 1955.	21 - 24
(c) Status of quotas as of December 31, 1956 and January 15, 1957, and comparison of charges to quotas January-December 1956 and 1955.	25 - 27
(d) Deliveries by primary distributors by States, November 1956.	28
(e) Sugar prices by areas, and refined sugar pro- duction and stocks.	29
6. DIRECT CONSUMPTION SUGAR RECEIPTS BY PORTS OR CUSTOM DISTRICTS OF ENTRY, 1938-1956.	30
7. REFERENCE GUIDE TO SUGAR REPORTS PUB- LISHED DURING 1956.	31 - 34

MARKET REVIEW

The 1956 quota of 9,000,000 tons was substantially entered or marketed and of the total only about 20,000 tons represented constructive deliveries of beet sugar. Distribution during 1956 was about 100,000 tons less than quota charges. The increase in quota stocks held by primary distributors, however, was less than the indicated 100,000 tons since meltings of raw sugar on a raw value basis by refiners exceeded their production of refined sugar, also expressed on a raw value basis.

Total stocks held by refiners at the end of 1956 were 20,000 tons less than a year earlier but exceeded the average for the previous five years by 60,000 tons. Over-quota mainland cane sugar stocks held by refiners this year end were estimated at 80,000 tons below those of the previous year. Over-quota offshore sugar stocks held by refiners were about 10,000 tons more than a year earlier so that indicated quota stocks of refiners were 50,000 tons greater than at the end of 1955.

Year end stocks of quota sugar held by importers were about the same as at the beginning of the year but over-quota stocks were reduced about 10,000 tons.

Total mainland cane stocks were reduced about 125,000 tons during the year from the 385,000 tons at the beginning of the year but were still much higher than during any of the twenty years 1935-54. Beet sugar stocks were down 22,000 tons from the beginning of the year.

Deliveries of sugar through January 19 totaled 322,000 tons, 37,000 tons below those of the corresponding period of 1956 but about equal to 1955 deliveries to the same date. This comparatively light demand reflects the strong stock position of industrial users, retailers and wholesalers. Stocks of this group at the end of 1956 are estimated to have reached as much as 550,000 tons as compared to 324,000 tons at the end of 1955.

Refined cane sugar prices were unchanged during January with the exception of an advance of 10 points to 8.95 in the southeast effective January 14. Beet sugar quotations in Michigan effective January 2 were reduced from 8.75 to 8.70 for most of the state but continued at 8.50 in the southwest corner of the state.

At the beginning of January, domestic spot raw prices were 6.40 cents per pound and by the middle of the month reached 6.48. However, by January 25 the price was 6.25 and the monthly average will be about 6.35.

On December 3, when refined cane sugar price in the Northeast were increased to 9.10 cents per pound, refiners were paying 6.45 cents per pound for raw sugar. That differential of 2.65 cents is in line with the average differential for the last three calendar years.

Federal mediators were still attempting to resolve the contract difficulties of dock workers and employers. If agreement is not reached the union members will vote February 4 on acceptance of the employer's offer. The result of the vote will be announced prior to February 12 the date of the expiration of the eighty day injunction period.

On January 11, 1957, the Department increased the determination of domestic sugar requirements (total quotas) for 1957 to a total of 9,000,000 tons or 200,000 tons above the amount initially established. At the same time, announcement was made that domestic beet acreage allotments would be increased 18,000 acres to a total of 950,000 acres or 100,000 above the 1956 total allocation. The 1956 beet sugar crop is now estimated at about 2,000,000 short tons, raw value, as a result of exceedingly high sugar production per planted acre (2.41 tons per acre planted). Sugar production from the 1954 crop was also 2,000,000 tons although there were 943,000 acres planted.

The final spot price quotation for world raw sugar, f.a.s. Cuba, for 1956 was 4.90 cents per pound. On January 9, Cuban sugar destined for the world market began to command a higher price than Cuban sugar destined to the United States. As of January 15, the world market stood at 6.37 cents, a 30 percent increase since the end of December and 90 percent since the price move started early in November. As of January 22, the world market price of 6.35 cents reflected a premium of 1.10 cents over the price of Cuban sugar destined to the United States and exceeded the spot price of raw sugar, c.i.f. New York, by 0.55 cent. By January 29, the world market price had receded to 5.50 cents per pound.



The rate of futures trading in world contracts quickened to a daily average of 1,439 lots (71,950 long tons) from January 10 through 17 compared to daily rates of 824 lots between November 15 and December 14, 1956 and of 93 lots during the year 1955.

As of mid-December, Cuban stocks of 865,000 Spanish long tons were reported, as compared with 1,572,000 at the beginning of 1956. As of mid-December, Cuba had exported to the world market 2,351,000 Spanish long tons of her 1956 quota and still had an unfilled quota balance of 361,000 tons. Cuba would have declared a short fall if at least 224,000 tons of that amount was not exported by the end of the year. Since no such declaration was made it can be assumed that year end stocks did not exceed 640,000 tons.

The first Cuban mill began to operate on December 4, 1956 and at this writing the grinding season is well under way. Provision was made by the Cuban Sugar Stabilization Institute for grinding all available sugarcane even if sugar production exceeds the official provision for a crop of 5,150,000 Spanish long tons. The Cuban sugar production potential during the current season will be affected by the subnormal rainfall which Cuba suffered during the past two successive years. Average rainfall in the country was 44.4 inches during the year ended November 30, 1956, and 44.9 inches in 1955, compared with a 1941-1955 average of 53.3 inches. On the other hand, about 100,000 tons of commercial fertilizer were applied to the crop now being harvested compared with amounts varying from 17,000 to 36,000 tons during each of the preceding three years.

Another factor which will affect the current production potential is the 818,000 acres of sugarcane land which was available for harvest in 1956 but was held over until 1957. This uncut acreage was 25 percent of all sugarcane land available for harvest in 1956. The sugarcane left uncut on this acreage was estimated on August 6, 1956 by Cuban sugar mill owners to have been sufficient to produce 1,660,000 Spanish long tons of sugar. Actual sugar production in 1956 was 4,611,000 tons. The recoverable sugar content of cane which was used for the production of high test molasses was equivalent to 379,000 tons of sugar. Thus, the total 1956 sugar production potential may have been 6,650,000 tons; the 1957 crop potential is entirely different not only because of the influences of deficient rainfall and fertilizer but because the cane stands tend to be a year older now and for all the numerous other causes that affect sugar yields.

Sugar production from the fall 1956 beet crop in Europe (including U.S.S.R.) was estimated at 13.5 million metric tons, raw value, by the Foreign Agricultural Service of this Department on November 19; F. O. Licht's International Sugar Report published the same figure for "Total Europe" (excluding Turkey) on December 31, 1956; but Licht estimates Western European production about 200,000 tons less than FAS, which Licht's Eastern European (including U.S.S.R.) production estimate is about 200,000 tons higher than that of FAS. Licht estimates Western European sugar production (excluding Turkey) at 6.5 million tons, half a million tons or 7 percent less than in 1955.

The Protocol to the International Sugar Agreement became effective with the beginning of the year, after the requisite number of exporting and importing countries had signed and indicated that their governments would seek ratification or accession under their constitutional processes. Of the 23 countries which have participated in the Agreement so far, 20 submitted the required notification, (Australia, Belgium, Canada, China (Taiwan), Cuba, Czechoslovakia, Dominican Republic, France, Germany (Federal Republic), Greece, Haiti, Japan, Netherlands, Lebanon, Poland, Portugal, South Africa, U.S.S.R., United Kingdom, and United States). Mexico and the Philippines are also expected to accept the Protocol. Of the countries previously not participating, Nicaragua and Panama have indicated their intention to accede. In accordance with the Protocol all quotas and limitations on exports are inoperative when the spot price of raw sugar, f.a.s. Cuban port, has been above 4.00 cents per pound for seventeen consecutive market days.

#### VISIT OF CUBAN OFFICIALS

In response to numerous requests, the following is a brief summary of recent discussions with Cuban officials concerning 1957 sugar supplies for the United States market.

The Cuban Government in January apportioned the 1957-crop into various reserves in accordance with its usual custom. Since the system of reserves and quotas is necessarily complex, there was at first some confusion in sugar trade circles in this country as to the effect of the reserves established upon the supply of sugar available for this market. To clarify the situation and to volunteer cooperation and coordination in the Department's program to prevent inflation from developing in the United States market, a committee composed

of Minister Amadeo Lopez Castro, Minister Jorge Barroso and Dr. Arturo Manas came from Cuba to confer with Mr. Lawrence Myers, Director of the Sugar Division on January 15.

The conferences were most constructive and left no doubt that Cuba is both willing and able to fill its present quota and any increases that reasonably may be anticipated. In addition to the 3,000,000 short tons required to fill its present United States quota, Cuba will hold in reserve an additional 506,000 tons earmarked for the United States. Moreover, Cuban officials stated that they would be in a position to start the harvesting of the 1957-58 crop early enough to assure the early availability of new crop sugar in the event old crop supplies are depleted. In view of this situation, the Department did not request that the 300,000 ton (340,000 short tons) general reserve of the 1957 Cuban crop be retained for the United States market.

#### GROWER'S SHARE AND MARKETING MARGINS FOR SUGAR

By

Otto Rauchschalbe  
Sugar Division, CSS

The householder's dollar for sugar may be broken down into (1) the grower's share, (2) the beet processor's margin or in the case of cane sugar the cane mill's and cane sugar refiner's margins, and (3) the wholesale and retail distributor's margins. This approach is similar to that often applied to margin analysis of other food products: the marketing margin is defined as the difference between the retail selling price and the equivalent farm value, thereby including the functions of processing, refining, transporting, and distributing.

The price structure of sugar is complicated, however, by the fact that returns which domestic growers receive from processors are augmented by payments from the U. S. Treasury. Furthermore, the marketing margin includes an excise tax on the manufacture of refined sugar. Since the rate of Government payments per pound of sugar to domestic growers is higher than the tax rate, growers' returns including payments plus the marketing margin excluding the tax would amount to more than 100 percent of the retail price.



### Grower's Share

The grower's share of the sugar dollar results from the development over many years of purchase or tolling contracts negotiated between growers and processors and fair price determinations issued under the Sugar Act. These contracts or determinations specify how market returns or sales proceeds shall be divided. The presently used participating arrangement under which growers share in sugar proceeds by formula tied to market prices or sales returns, originated in the depression years and enabled growers to benefit directly and without time lag from later improvement in the level of sugar prices.

The farm value equivalent of sugar for purposes of this study is the average of the cane and beet payments made by the beet processors and cane mills (less by-product adjustment) per pound of refined sugar to growers in the domestic areas; i.e., the Beet Sugar Area, Mainland Cane Area, Puerto Rico, Hawaii, and Virgin Islands. Their market receipts per pound of refined sugar are computed from the total value of sugar beet and sugarcane production in all domestic areas divided by the total pounds of refined sugar produced, less 5 percent estimated allowance for the raw material value of by-product production.

Returns to sugar processors are supplemented by the production and sale of by-products, principally molasses and bagasse. The total for by-product sales by domestic mills in most years averages slightly less than 5 percent of the value of sugar production. However, the by-product value is a variable figure. For purposes of this analysis, the farm value, as shown in Table 1, was computed from the market returns for beets or cane less 5 percent to allow for that portion of the crop converted to by-products. 1/

1/ Growers may share with processors in the sales proceeds of by-products if so provided by grower-processor contract, as in the Great Lakes Region where most beet growers receive a half share of the net returns from molasses and beet pulp, and in Louisiana where cane growers receive one-half of the average price of molasses in excess of 6 cents per gallon. The payment for sugar beets to western producers is related in the contracts to the net returns from sugar sales only; although the price for beets is not related directly to the returns for by-products which, as such, accrue to the processor, pulp and molasses returns are considered in determining the amount which the processor can afford to pay for sugar beets. Like Louisiana growers, Puerto Rican growers receive a share of the sales proceeds of molasses, amounting to 66 percent of the average price in excess of 5 cents per gallon. In Hawaii and in the Virgin Islands 90 percent of the sugarcane is grown on the plantations where it is milled. Hauling and hoisting allowances by processors to beet and cane growers and additional returns from the sale and use of beet tops were not included in the combined cane and beet farm value, for the purpose of this analysis.

FIGURE 1.

## GROWER'S RETURNS PER POUND OF REFINED SUGAR

CENTS PER POUND

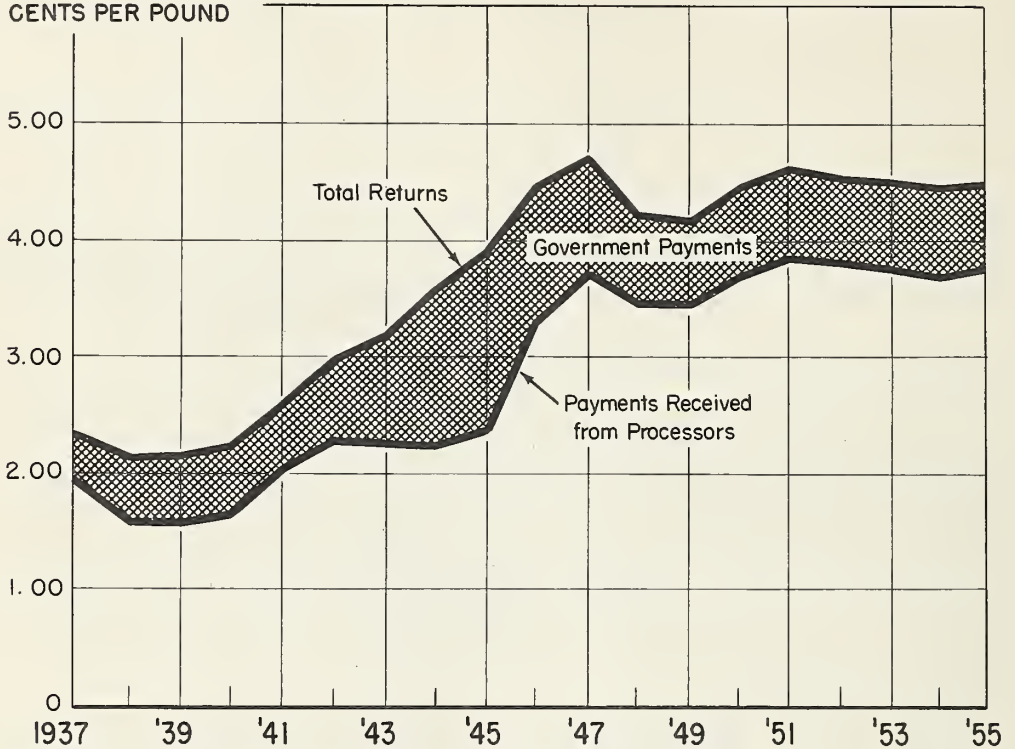


FIGURE 2.

## GROWER'S SHARE OF RETAIL PRICE OF SUGAR

PERCENT

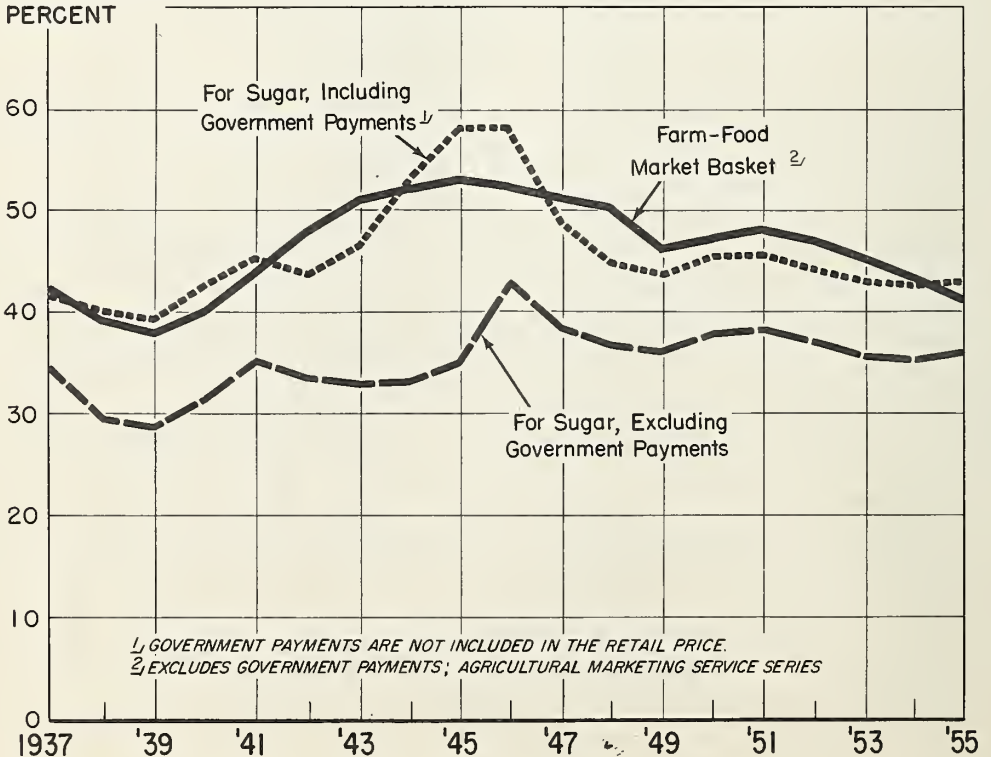




FIGURE 3.

## GROWER'S SHARE AND MARKETING MARGINS FOR SUGAR

CENTS PER POUND

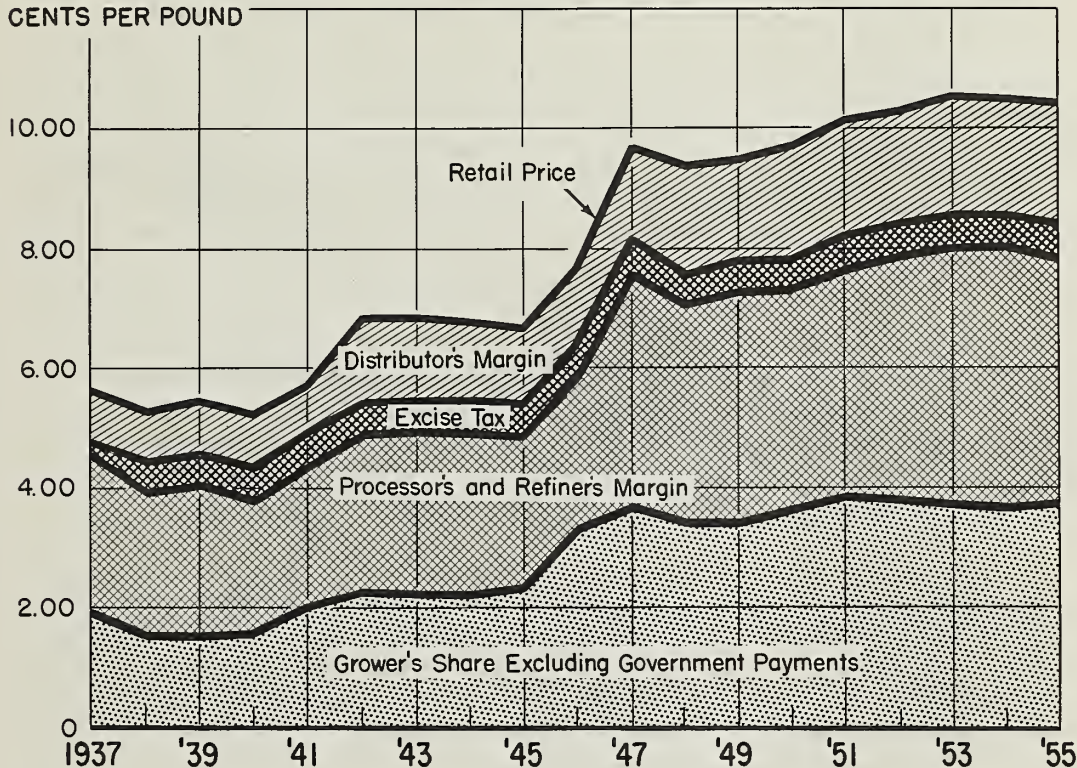


Table 1.- Growers returns for sugar, prices of raw and refined sugar and marketing margins.

Year	Returns to Domestic Growers 1/				Prices		Marketing Margins				
	Farm value, net	Gov't. pay-ments	Total	Raw cane, cents	Refined: net cash	Cane: pro-cessing	Cane: refining	Excise tax	Distributors	Total	
Cents per pound of refined sugar											
1937	1.95	.38	2.33	3.67	4.73	5.64	1.72	.88	2.60	.18	3.69
1938	1.56	.56	2.12	3.13	4.49	5.30	1.57	.82	2.39	.54	3.74
1939	1.55	.58	2.13	3.18	4.58	5.43	1.63	.86	2.49	.54	3.88
1940	1.62	.59	2.21	2.97	4.34	5.20	1.35	.83	2.18	.54	3.58
1941	2.01	.57	2.58	3.60	4.93	5.71	1.59	.79	2.38	.54	3.70
1942	2.27	.71	2.98	3.98	5.45	6.82	1.71	.93	2.64	.54	4.55
1943	2.25	.92	3.17	3.98	5.49	6.83	1.73	.97	2.70	.54	4.58
1944	2.24	1.35	3.59	3.99 6/	5.46	6.76	1.75	.93	2.68	.54	4.52
1945	2.34	1.54	3.88	3.99 6/	5.40	6.68	1.65	.87	2.52	.54	4.34
1946	3.29	1.17	4.46	4.89 6/	6.35	7.68	1.60	.92	2.52	.54	4.39
1947	3.71	.99	4.70	6.62 6/	8.13	9.72	2.91	.97	3.88	.54	6.01
1948	3.44	.77	4.21	5.90	7.58	9.40	2.46	1.14	3.60	.54	5.96
1949	3.43	.73	4.16	6.18	7.82	9.52	2.75	1.10	3.85	.54	6.09
1950	3.68	.75	4.43	6.32	7.85	9.74	2.64	.99	3.63	.54	6.06
1951	3.86	.75	4.61	6.45	8.21	10.12	2.59	1.22	3.81	.54	6.26
1952	3.81	.72	4.53	6.67	8.45	10.30	2.86	1.24	4.10	.54	6.49
1953	3.76	.74	4.50	6.70	8.55	10.56	2.94	1.31	4.25	.54	6.30
1954	3.70	.74	4.44	6.48	8.55	10.52	2.78	1.53	4.31	.54	6.82
1955	3.73	.74	4.47	6.34	8.42	10.42	2.61	1.54	4.15	.54	6.69

1/ Equivalent weighted average per pound of sugar produced in the Domestic Beet Area, Mainland Cane Area, Puerto Rico, Hawaii, and Virgin Islands.

2/ Gross farm value less estimated 5 percent allowance for byproduct value to processors.

3/ Sugar Act payments (including abandonment and deficiency) and CCC payments (1943-47)

4/ Raw cane sugar, duty paid N. Y. multiplied by 1.065 pounds of raw sugar required to produce one pound of refined.

5/ United States price, Bureau of Labor Statistics

6/ Emergency price set by CCC.

7/ Distribution for retail sale.

In addition to the returns from processors, growers receive Sugar Act payments for the amount of sugar produced, for acreage abandonment due to disaster, and for crop yield deficiencies. Additional production incentive payments were made by the Commodity Credit Corporation during the period 1943-1947. Since Sugar Act payments are indirectly financed by an excise tax on all sugar, the levy on sugar of foreign origin indirectly pays for the excess of grower payments over tax collections from sugar of domestic origin.

Figure 1 shows the amount of grower returns per pound of refined sugar received from processors, as well as the Government payments. Returns from processors averaged 1.74 cents during 1937-1941, and doubled to an average level of 3.53 cents during 1947-1949 or 3.73 in 1955. Government payments increased in 1942 when the basic rate of Sugar Act payments was raised from 0.60 to 0.80 cents per pound of commercially recoverable sugar.

The domestic grower's share of the retail price of sugar and that received by all farmers for products contained in the farm-food market basket are compared in Figure 2 and Table 2. <sup>2/</sup> The farmer's share for sugar is shown to be considerably less than for food products in general, and inversely, the marketing margin is more than for food products in general. In this connection, it is noteworthy that sugar is a highly processed commodity while the farm-food market basket contains a mixture of highly processed and slightly processed items. However, the comparison is most useful with respect to trends.

When Government payments are added to the grower's receipts from processors, the grower's total receipts expressed as a percentage of the retail refined sugar price are more nearly in line with the farmer's share in the consumer's farm-food market basket (see footnote Table 2).

Trends in the grower's share of sugar were similar to those for all farm-food products. In 1946, the grower's share (excluding Government payments) reached an abnormally high level of 42.8 percent, when retail price controls caused sugar prices to lag behind the rise in grower's receipts. The fact that grower's returns are dependent upon sugar prices in the year subsequent to the harvest as well as the year of the harvest was an even more important factor in

---

<sup>2/</sup> The market basket as defined by the Agricultural Marketing Service contains the kinds and quantities of farm-food products purchased per wage-earner and clerical-worker family in 1952.



the abnormally high figure for 1946. In the post-war years, the farmer's share from sugar crops remained fairly stable at a level substantially in excess of that of the pre-war period but declined slightly in recent years. Meanwhile, the share from all farm-food products declined more markedly particularly in 1954 and 1955 as marketing costs and services increased and farm prices in general declined. In 1955 growers received 36 percent of the retail sugar dollar or almost 43 percent if Government payments were to be added to their market returns, as compared with 41 percent received by producers of all farm-food products.

Table 2.- Farmer's Share of Retail Sales

Year	Retail sales of sugar		Retail sales of farm-
	Farmer's share with		food products
	Farmer's share	Govt. payments added 1/	Farmer's share
	Percent	Percent	Percent
1937	34.6	41.3	42
1938	29.4	40.0	39
1939	28.5	39.2	38
1940	31.2	42.5	40
1941	35.2	45.2	44
1942	33.3	43.7	48
1943	32.9	46.4	51
1944	33.1	53.1	52
1945	35.0	58.1	53
1946	42.8	58.1	52
1947	38.2	48.4	51
1948	36.6	44.8	50
1949	36.0	43.7	46
1950	37.8	45.5	47
1951	38.1	45.6	48
1952	37.0	44.0	47
1953	35.6	42.6	45
1954	35.2	42.2	43
1955	35.8	42.9	41

1/ These percentages including Government payments when added to the percentages for marketing margin (not shown) add up to more than 100 percent of the retail price (107 percent in 1955). The excise tax could be deducted from the marketing margin to offset the Government payment, but the total of such augmented grower returns and the reduced marketing margin would still be more than the retail price, because the Sugar Act rate of payment in recent years averaged about 0.74 cents per pound of refined sugar while the excise tax rate is 0.535 cents. Thus, there would still be a difference of about 0.20 cents per pound of refined sugar or 2 percent of the retail price of about 10 cents.

### Marketing Margins

Sugar beets are processed directly into refined sugar; whereas, sugarcane is first processed into raw sugar and then refined in two separate operations. Accordingly, the margin for the entire marketing function includes both beet and cane sugar and is calculated as the difference between the retail price per pound of granulated sugar (beet and cane) and the average returns per pound of refined sugar of domestic beet and cane growers. For purposes of this study the processing and refining portions of the marketing margin are analyzed for cane sugar, and the data for these components treated separately apply only to cane sugar.

Raw Sugar Processing Margin: Raw cane sugar is sold to mainland refiners by cane sugar mills located in the four domestic cane producing areas, and by foreign sellers. All sales are directly or indirectly related to the duty-paid price for sugar in New York. The margin is computed as the difference between the New York duty-paid price of sufficient raw sugar (1.065 pounds) to produce a pound of refined sugar and beet and cane growers' returns from processors per pound of refined sugar, as given in Table 1. If only cane growers' returns had been considered for the computation of the raw sugar processing margin, that margin would be about 5 percent larger than that shown, since cane growers' returns per pound of refined sugar averaged less than beet and cane growers' returns in the aggregate. Cane growers' returns per pound of refined sugar were about 3 percent less than beet and cane growers' returns in the aggregate. However, the difference is more due to location differences than to differences between sugar beets and sugarcane. Mainland cane growers' returns per pound of refined sugar were the highest followed by beet growers' returns, while offshore cane growers' returns per pound of refined sugar were less than all beet and cane growers' returns.

Sales by raw sugar processors in Louisiana are customarily made on the basis of the New Orleans Sugar Exchange quotations, which differ from the New York price only by a small differential which reflects the lower freight from Cuba, usually ranging from 2 to 7 cents per cwt. in any one year. Louisiana mills pay little freight because of the proximity of refiners. Florida mills pay the freight to the refinery in Savannah, Georgia. Both processors and producers in Puerto Rico and the Virgin Islands pay the freight and



insurance to New York or other mainland refineries. The Hawaiian processors market their sugar cooperatively, and pay the freight to the mainland.

The margin for raw sugar processing in the prewar years 1937-1941 ranged from 1.4 to 1.7 cents per pound compared with 2.5 to 2.9 cents for the years 1947-1949 and 2.6 for 1955. (See Table 1). Important cost elements in raw sugar processing aside from the sugar cane processed are the transportation of cane, labor for services to growers and for factory operations, freight to the refinery, and marketing services. In view of the moderate increase in the raw sugar processing margin and the known price increases in supplies, services and freight, it is apparent that productivity gains in raw sugar processing are substantial; and that such gains have rather completely offset increased wage rates per hour. It may be assumed that the effects of increased wage rates which have advanced significantly have been absorbed by lower man-hours per cwt. made possible by factory improvements and modernized equipment.

Refiner's Margin: In this analysis the refiner's margin in Table 1 is measured as the difference between the New York price per pound of refined sugar and the New York duty paid price of 1.065 pounds of raw sugar (96<sup>o</sup>). The refined price used for this purpose is net price less 2 percent cash discount, because it is customary for buyers to exercise their discount privilege. While this margin has specific application only to the marketing territory for New York, it is a useful guide to annual changes in the national situation.

For the refining industry as a whole there are a number of factors which suggest that the actual refining margin is less than that derived from the use of New York prices. Among these are the fuel, wage rate, and ocean freight advantages of Gulf refiners which are reflected in territorial price differences for refined sugar. Competition from beet sugar also is a factor which contributes to the variation in the basis price for refined sugar in the several marketing territories of the country. Although freight is not included in refined price quotations, the freight rate structure affects the determination of each territorial boundary, because actual marketings are made at the delivered price which includes a charge for freight from the nearest refinery city. 2/ The following table

2/ A discussion of the freight basing point system for sugar and prices by marketing territories may be noted in Sugar Reports of November 1955, number 55.

illustrates how the refiner's margin in New York exceeds those in Savannah, New Orleans and San Francisco, based on raw sugar purchases and refined price quotations on October 16, 1956, and a year earlier.

Territory and Place	: Refined whole-:					
	Raw sugar		sale price		Refiner's	
	duty paid		quotations		gross margin	
	Oct. 16	Oct. 18	Oct. 16	Oct. 18	Oct. 16	Oct. 18
	1956	1955	1956	1955	1956	1955
(cents per pound of refined sugar)						
Northeast at New York	6.66	6.44	8.67	8.48	2.01	2.04
Southeast at Savannah	6.60 <sup>1</sup>	6.38	8.48	8.38	1.88	2.00
Gulf at New Orleans	6.57	6.40	8.48	8.38	1.91	1.98
Pacific at San Francisco	6.66	6.44	8.58	8.33	1.92	1.89

<sup>1/</sup> Based on the New York-Savannah price difference on date of last purchase.

As in the case of marketing margins for many agricultural products, sugar refiners' margins are modified by the forces of competition. Daily fluctuations in raw sugar prices are absorbed as refined sugar prices often remain constant over several months. "Competition" allowances as high as 25 cents per cwt. are sometimes granted on the quoted price for the Chicago-West territory in the face of competing beet sugar supplies.

The comparative margins for the beet processing and refining industry would be slightly lower than those which exist for the cane processing and refining industry, because beet growers are paid a higher price per pound of sugar and beet sugar sales customarily require a trade discount of .20 cent per pound below cane sugar price quotations.

The influence of competition on refiners' margins also is reflected in a system of delayed increases in refined sugar prices, under which a limited number of orders are accepted at the price prevailing before the effective dates of announced price increases. Intensified sales on upward market "moves" at preceding prices introduce a downward price effect and cause the average of monthly or annual prices to become somewhat higher than the weighted average of prices actually received by refiners. Accordingly, in practice the refiners' margin may be somewhat lower and distributors' margin correspondingly



higher than indicated in the analysis as shown in Table 1 and Figure 3 for the reason mentioned here and the territorial factor mentioned in an earlier paragraph.

The refining margin exclusive of the tax of .535 cent per pound generally tended to be about half as much as the processing margin, amounting to 0.8 to 0.9 cents per pound in 1937-1941 and 1.0 to 1.1 cents in 1947-1949 and 1.5 in 1955. In 1955, the refining margin (exclusive of tax) was 84 percent more than in the period 1937-1941 while the processing margin increased by only 66 percent. Since 1947-1949 the refining margin increased about 44 percent, while the processing margin remained fairly constant. The uptrend in the cane refining margin is attributed primarily to rising wage rates for labor, increased fuel costs and greater marketing expenses. Apparently, gains in managerial efficiency and productivity during recent years were not as effective in offsetting these increases as they were in the raw sugar processing industry.

Distributor's Margin: The margin for distribution in this analysis is figured as the difference between the national average retail selling price per pound of granulated beet or cane sugar in five-pound bags, and the New York refinery price, less 2 percent cash discount. This means that the freight from the refinery becomes a part of the distributor's margin. In practice this freight is handled as an arbitrary charge to the buyer in the form of a "prepay," which does not always represent actual freight cost since it is calculated on the basis of freight from the seaboard cane sugar refinery nearest freightwise to the point of delivery regardless of actual origin. In the case of the delivered price in Chicago a buyer of sugar from the Pacific Coast is billed for the freight at the 64 cents per cwt. rate, based on New Orleans. A small amount of freight on distant shipments may therefore be absorbed by the refinery and included in the refinery margin, because actual freight charges sometimes exceed freight prepays billed to the buyers. Conversely, nearby shippers of beet sugar sometimes enjoy a freight "pickup." To illustrate the cumulative effects of territorial price differences and freight considerations, the delivered price in Chicago may be a little higher at times than that in New York, as shown below for mid-October 1956.

	Chicago		New York
	Cane	Beet	Cane
List price per cwt.	\$8.60	\$8.40	\$8.85
Allowance for competition	.20	.20	0
	\$8.40	\$8.20	\$8.85
Freight "prepay"	.64	.64	.15
Delivered price	\$9.04	\$8.84	\$9.00

The cost of distribution from the refinery does not apply to the larger volume of sugar delivered to industrial users for the manufacture of food products. The margin shown for distribution includes various charges such as packaging by the refinery in five-pound bags and the cost of wholesale-retail grocery handling operations and merchandising as well the freight prepay from the refinery the last named of which also applies to sugar purchased by industrial users. The actual distributor's margin for the nation as a whole may be larger than the computed margin because of the reason mentioned early with respect to the refining margin.

Although the distributor's margin was about equal to the refiner's margin (exclusive of tax) in prewar years, it had doubled by 1947-1949 while the refiner's margin had increased only approximately 0.23 cents per pound or about 27 percent. Since then, however, the distributor's margin has increased only nominally from \$1.70 in 1947-1949 to \$2.00 per cwt. in 1955, while the refiner's margin increased one-half from \$1.07 to \$1.54 per cwt.

Among the most important cost items in the margin for distribution are packaging in consumer-sized bags and transportation from the refiner, which together add up to nearly half of the margin. Packaging in five-pound bags accounted for a cost of .45 cent per pound in late 1955. The average freight charge by rail in 1955 amounted to at least .45 cent per pound according to records of the Interstate Commerce Commission.

Postwar increases in railroad freight rates amount to 89 percent since June 30, 1946. Packaging costs increased about 80 percent in the same period. Meanwhile, all other functions of wholesaling and retailing increased only 31 percent. Since wages alone in the distributive trades increased about one-half in this period, it is apparent that productivity increased, largely as a result of improved methods of physical handling and low-cost merchandising.

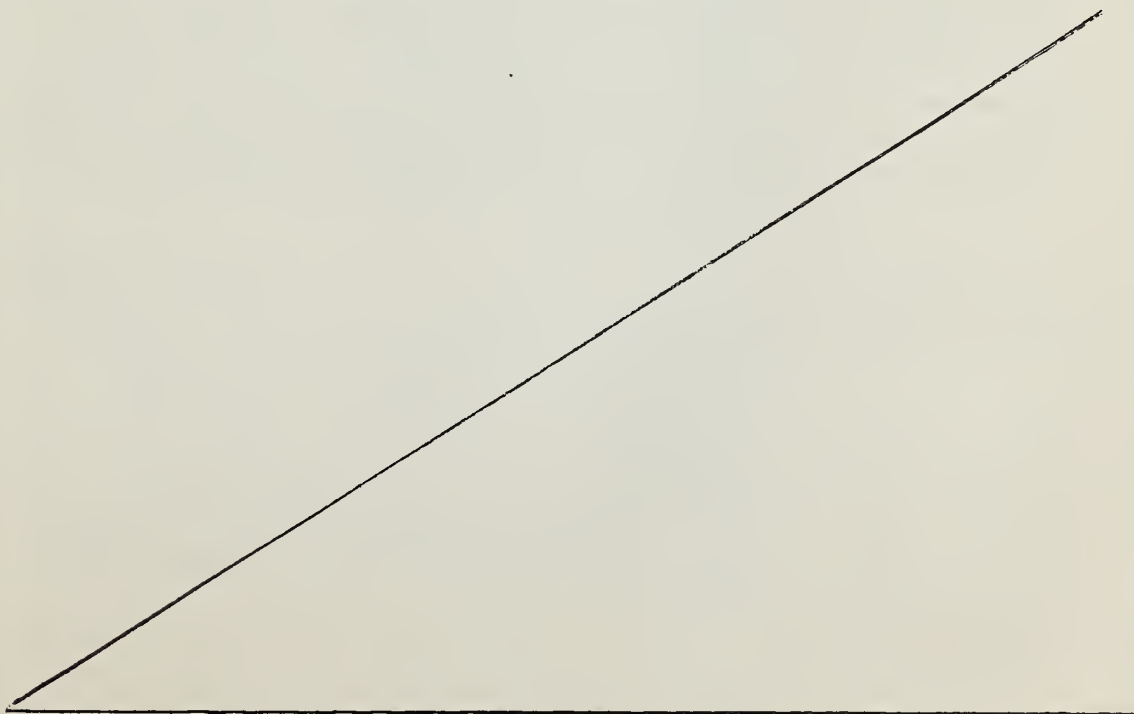
### Summary

The usual concept of the marketing margin refers to the difference between the retail selling price and the price paid to growers by processors for the sugar crop equivalent to one pound of refined sugar. This margin encompasses processing, refining, the excise tax, and distribution, which together accounted for 6.69 cents per pound of 10.42 cents price for refined sugar in 1955. The 1955 margin reflected an increase of 80 percent above the 1937-41 period, and 11 percent above the 1947-49 period, compared with increases in grower returns

from processors of 114 percent and 6 percent, respectively. The share of the consumer's sugar dollar paid to domestic growers in 1955 was 36 percent. Another 45 percent was paid for both processing and refining, including 5 percent for the excise tax, and the remaining 19 percent for distributing and selling.

Before 1941, the grower's share was never more than 75 percent of the combined margin for processing and refining. During the war years, the grower's share was at least 80 percent of the processing and refining margins; it reached equality in 1950 and 1951. Since that time the grower's share has barely held constant while the processing and refining margin has increased substantially. Even so, the grower's share in relation to the combined processing and refining margins has been more favorable than during the prewar and war years.

In view of the known price increases in supplies, services and freight in recent years, it is apparent that productivity gains in raw sugar processing have been substantial, and that such gains have tended to offset increased wage rates. Factory improvements and modernized equipment have reduced labor requirements for raw sugar processing. The distributing margin also reflects efficiency gains, since it has expanded less than would be indicated by increases in packaging costs, freight rates and wage rates in the distributive trades.





ADMINISTRATIVE ACTIONS

<u>Date announced</u>	<u>Administrative action</u>
December 28, 1956	Proposed regulation concerning definitions designed to provide precise distinctions between raw sugar and direct-consumption sugar. (See Federal Register of January 8, 1957).
December 31, 1956	Preliminary marketing allotments, totaling 450,000 short tons, raw value, to processors of the 1957 sugar quota for the <b>Mainland Cane Sugar Area</b> . These allotments will be in effect from January 1, 1957 until an order can be issued on the basis of a public hearing to be held in early 1957. (See Federal Register of January 1, 1957).
December 31, 1956	Preliminary 1957 marketing allotments for Puerto Rican processors totaling 850,000 short tons, raw value, of the mainland quota, and 85,000 short tons, raw value, of the local quota. These allotments, effective January 1, 1957, are based in part on estimated data and will remain in effect until 1956-57 crop production is completed and final data are available on 1956-57 production, 1956 marketings, and January 1, 1957 inventory, when the full 1957 quota will be allotted. (See Federal Register of January 4, 1957).
December 31, 1956	Preliminary marketing allotments, totaling 1,600,000 short tons, raw value, to processors of the 1957 sugar quota for the <b>Domestic Beet Sugar Area</b> . These allotments will be in effect from January 1, 1957 until an order can be issued on the basis of a public hearing to be held in early 1957. (See Federal Register of January 3, 1957).



- January 3, 1957      National acreage limitation for 1957 crop sugar beets increased 47,000 acres, to a total of 932,000 acres. (See Federal Register of January 8, 1957).
- January 10, 1957      Public hearing on 1957 Domestic Beet Sugar allotments announced. Hearing will begin at 10 a.m. (EST), January 23, 1957 in Room 2W, Administration Building, U. S. Department of Agriculture, Washington, D. C. (See Federal Register of January 12, 1957).
- January 11, 1957      Sugar quotas for the continental United States for 1957 increased 200,000 tons to a total of 9,000,000 short tons, raw value. (See Federal Register of January 18, 1957).
- January 11, 1957      National acreage limitations for 1957 crop sugar beets increased 18,000 acres to a total of 950,000 acres. (See Federal Register of January 31, 1957).
- January 15, 1957      Time extended 20 days for filing exceptions to proposed regulation concerning Sugar Act definitions. Written exceptions to the recommended decision may now be filed with the Hearing Clerk, U. S. Department of Agriculture, Washing 25, D. C. on or before February 7, 1957. (See Federal Register of January 16, 1957).
- January 18, 1957      Sugar Industry Advisory Committee for Defense established. The Committee is composed of 16 members, two or more of which are from each segment of the sugar industry. An alternate for each member also has been named. Lawrence Myers, Director, Sugar Division, Commodity Stabilization Service, U. S. Department of Agriculture has been named Government Chairman of the Committee. The Committee will meet at the call of the Government Chairman.

STATISTICAL SERIES IN THIS ISSUEHIGHLIGHTS

1. December deliveries of sugar, 651,000 tons (preliminary), up 14 percent from December 1955. Final data on November 1956 deliveries of sugar for United States consumption 667,000 short tons, raw value; the previously published preliminary for that month was 664,000 tons.
2. Primary distributors' stocks December 31, 1956, 1,914,000 short tons, raw value (preliminary), up 301,000 tons from November 30, 1956 but down 96,000 tons from December 31, 1955. About one-half of the 96,000 ton decrease was due to the decline in mainland cane processors' stocks. During December beet processors' stocks increased 239,000 tons, mainland cane processors' stocks 37,000 and refiners' stocks 34,000 tons; importers of direct-consumption sugar stocks decreased 9,600 tons.
3. Each major supplying area filled its 1956 quota within very close limits. Charges to quotas, 8,998,000 short tons, raw value, up 597,000 from 1955. Increases ranged from 0.6 for the Philippines to 21 percent for the mainland cane area and to 25 percent for the Virgin Islands. Charges to the quota of Hawaii up 3.7 percent and for the other areas increases were within 2 percentage points of the 7.1 percent increase in total quota charges. Charges to quotas of two "full duty" countries showed decreases.
4. Sugar deliveries in November 1956 were larger than in November 1955 in all regions except New England where they were 8 percent smaller. Increases ranged from 6 percent for the Western region to 20 percent for the North Central. Deliveries were larger by 10 percent in the Middle Atlantic and by 14 percent in the Southern region. As compared with October 1956, sugar deliveries in November were smaller in all regions. Decreases ranged from 6 percent for the North Central region to 29 percent for the Western. Other decreases were 16 percent for the Middle Atlantic region, and 24 and 27 percent for the New England and Southern regions, respectively.

Table 3.-Distribution of sugar by primary distributors in the continental United States, Puerto Rico, and Hawaii during January-November 1956 and 1955

	1956 (Short tons, raw value)	1955
<u>Continental United States</u>		
Refiners' raw	24,343	2,604
Refiners' refined	5,923,783	5,576,980
Beet processors' refined	1,783,535	1,711,627
Importers' direct consumption	580,115	553,139
Mainland sugarcane processors' direct-consumption	88,314 1/	31,605
Total	8,400,090	7,875,955
Deliveries for export, livestock feed, etc.	156,823 2/	48,078
For continental consumption 3/	8,243,267	7,827,877
<u>Puerto Rico</u>	96,123	89,443
<u>Hawaii</u>	40,281	40,470

1/ Deliveries for direct-consumption by mainland sugarcane processors that acquire no raw sugar from others for refining; deliveries by mainland sugarcane processor-refiners are included in deliveries by refiners.

2/ Ex-quota deliveries

	<u>Export</u>	<u>CCC</u>	<u>Feed</u>	<u>Total</u>
Refiners' raw	0	22,061	0	22,061
Refiners' refined	30,925	0	2,658	33,583
Importers	8,054	0	14,477	22,531
Beet processors	1,089	25,613	0	26,702
Mainland sugarcane processors	0	51,941	5	51,946
Total	40,068	99,615	17,140	156,823

3/ Includes deliveries for United States Military forces at home and abroad.

Table 4.-Stocks of sugar held by primary distributors in the continental United States, November 30, 1956 and 1955

	1956 (Short tons, raw value)	1955
Refiners' raw	246,427	296,885
Refiners' refined	224,693	248,153
Beet processors' refined	1,038,726	1,068,806
Importers' direct consumption	18,627	25,419
Mainland sugarcane processors	85,135*	77,460
Total	1,613,608	1,716,723

\* Stocks of sugar of mainland sugarcane processors that acquire no raw sugar from others for refining; processor-refiner stocks are included in refiners' stocks.

Table 5--Raw sugar: Refiners' stocks, receipts, meltings and deliveries January-November 1956\*

	(short tons, raw value)
Stocks, January 1, 1956	256,092
Receipts	5,881,162
Meltings	5,865,620
Deliveries for direct consumption	2,282
Deliveries for export and livestock feed	22,061
Gains and (losses), adjustments, etc.	(864)
Stocks, November 30, 1956	246,427

\* For receipts by source of supply, see Table 10.

Source: Compiled from reports on Form SU-73 and 74

Table 6--Refined sugar: Refiners' and beet processors' stocks, production and deliveries, January-November 1956

	Cane sugar (Short tons, raw value)	Beet sugar (Short tons, raw value)
Stocks, January 1, 1956	268,648	1,299,794
Production from raws melted	5,809,140	-
Production direct from cane or beets	56,742	1,522,653
Imported refined receipts	19,629	-
Deliveries for continental consumption	5,890,200*	1,756,833
Deliveries for export and livestock feed	33,583	26,702
Gains and (losses), adjustments, etc.	(5,683)	(186)
Stocks, November 30, 1956	224,693	1,038,726

\* Includes 17,251 tons of imported refined sugar.

Source: Compiled from reports on Form SU-73, SU-74 and SU-70 from cane sugar refiners and beet sugar processors, respectively.

Table 7.-Direct-consumption sugar: Importers' stocks, receipts and deliveries, January-November 1956 <sup>1/</sup>

	(Short tons, raw value)
Stocks, January 1, 1956	19,235
Receipts	579,574
Deliveries for continental consumption	557,584 <sup>2/</sup>
Deliveries for export and livestock feed	22,531
Gains and (losses), adjustments, etc.	(67)
Stocks, November 30, 1956	18,627

<sup>1/</sup> For receipt by source of supply, see Table 10.

<sup>2/</sup> Does not include 17,251 tons imported by refiners for direct-consumption.

Source: Compiled from reports on Form SU-75 from importers of direct-consumption sugar.



Table 8.-Mainland sugarcane processors: Stocks, production and deliveries of mainland cane sugar, January-November 1956

	(Short tons, raw value)
Stocks, January 1, 1956	166,715
Production	316,341
Deliveries:	
For further processing	308,700
For direct consumption	36,368
For export and livestock feed	51,946
Total	397,014
Gains and (losses), adjustments, etc.	(907)
Stocks, November 30, 1956	85,135

Source: Compiled from reports submitted by mainland sugarcane processors.

Table 9.-Mainland sugar: Production and allotment charges January-November 1956

	Cane sugar (Short tons, raw value)	Beet sugar
Production	405,761	1,522,653
Allotment charges		
Louisiana sugarcane processors:		
For further processing	262,929	
For direct-consumption	27,241	
Louisiana processor-refiners	124,552	
Florida sugarcane processors	120,490	
Beet processors		1,756,722
Total	535,212	

Source: Compiled from reports submitted by mainland sugarcane processors, processor-refiners, and beet processors on Forms SU-71, 72, 73 and 70.

Table 10.-Refiners and importers: Receipts by source of supply, January-November 1956

Source of supply	Refiners 1/ (raw sugar)	Importers 2/ (DC sugar)
	(Short tons, raw value)	
Cuba	2,592,085	385,850
Hawaii	1,003,784	0
Hawaii refined	19,629 <sup>3/</sup>	0
Mainland cane area	333,621 <sup>4/</sup>	0
Philippines, Republic of the	969,492	11,145
Puerto Rico	909,401	130,934
Virgin Islands	11,994	0
Other countries	59,070	51,645
Not identifiable	1,715	0
Total	5,900,791	579,574
Total raw sugar	5,881,162	

1/ Includes 30,026 tons of ex-quota sugar for export and 2,990 tons for livestock feed. 2/ Includes 8,213 tons ex-quota sugar for re-export and 15,522 tons for livestock feed. 3/ Refined sugar imported by refiners. 4/ Includes 32,602 tons of raw sugar from mainland raw mills owned by refiners, (not included in deliveries for further processing shown in Table 9).

Table 11. -Distribution of sugar by primary distributors in the continental United States, December and January-December 1956 and 1955

	Dec.	1956 <sup>1/</sup>	Dec.	1955
		Jan.-Dec. (short tons, raw value)		Jan.-Dec.
Refiners	436,201	6,384,327	474,000	6,053,584
Beet processors	198,650	1,982,185	92,536	1,804,163
Importers	11,543	591,658	11,007	564,146
Mainland sugarcane processors	5,300 <sup>2/</sup>	93,614	6,555	38,160
Total	651,694	9,051,784	584,098	8,460,053
Deliveries for export, livestock feed, etc.	763	157,586	12,894	60,972
For continental consumption <sup>3/</sup>	650,931	8,894,198	571,204	8,399,081

<sup>1/</sup> Preliminary

<sup>2/</sup> Estimated

<sup>3/</sup> Includes deliveries for U. S. military forces at home and abroad.

Table 12. -Stocks of sugar held by primary distributors in the continental United States, December 31, 1956 and December 31, 1955

	1956 <sup>1/</sup>	1955
Refiners' raw	259,254	256,092
Refiners' refined	245,759	268,648
Beet processors	1,278,182	1,299,795
Importers' direct-consumption	9,013	19,235
Mainland sugarcane processors	122,000	166,715
Total	1,914,208	2,010,485

<sup>1/</sup> Preliminary, partly estimated.

Table 13--Status of 1956 Sugar Quotas as of December 31, 1956 <sup>1/</sup>

Areas	Quota	Credit for draw- back of duty	Total	Charge to quota & offset to draw- back of duty 2/	Total	Unfilled balance
				Direct consump- tion from offshore areas 3/		Within dir- ect consump- tion limits for offshore areas
Short tons, raw value						
Domestic beet	1,955,401		1,955,401	4/	0	
Mainland cane	601,696		601,696	4/	0	
Hawaii	1,091,305		1,091,397	22,207	0	0
Puerto Rico	1,141,098		1,135,088	132,610	6,010	454
Virgin Island <sup>5/</sup>	12,000		12,379		-	
Republic of the Philippines	980,000		983,249	12,406	0	0
Cuba	3,089,760	2,106	3,091,558	376,415	308	0
Other foreign countries	128,740	455	127,220	47,791	1,975	0
Total	9,000,000	2,561	8,997,988	591,429	8,293	454

## Details of other foreign countries

Dominican Republic <sup>6/</sup>	42,329	157	42,472	13,689	14	)
El Salvador	0	0	0	0	0	)
Haiti	4,097	5	3,395	3,395	707	)
Mexico <sup>7/</sup>	12,042	45	12,087	12,087	0	)
Nicaragua <sup>8/</sup>	4,530	0	3,460	3,460	1,070	)
Peru	59,305	248	59,369	8,723	184	)
Unspecified <sup>9/</sup>	6,437	0	6,437 <sup>10/</sup>	6,437	0 <sup>11/</sup>	)
Total	128,740	455	127,220 <sup>12/</sup>	47,791	1,975	

LIQUID SUGAR <sup>13/</sup>

(wine gallons of 72 percent total sugar content)

Cuba	7,970,558	7,944,092	26,466
Dominican Republic	830,894	830,894	0
British West Indies	300,000	0	300,000

<sup>1/</sup>Excludes 12,561 tons entered under Sugar Regulation 818 for refining under bond for charge to 1957 quota. Excludes also January-December entries of ex-quota sugar for reexport, 46,068 short tons, raw value, and for livestock feed, 18,512 short tons; total, 64,580. <sup>2/</sup> These data include the following: (a) Domestic beet and mainland cane sugar marketed against allotments through December 31, 1956; (b) charges for all other areas are those made upon entry as of December 31, 1956. <sup>3/</sup> Includes raw sugar for direct consumption: Cuba, 18,710; Puerto Rico, 148; Hawaii, 259; and the Republic of the Philippines, 188; total, 19,305. <sup>4/</sup> Estimated in part. <sup>5/</sup> Deficit proration of 3,326 tons was made. <sup>6/</sup> Deficit proration of 4,141 tons was made. <sup>7/</sup> Deficit proration of 3,411 tons was made. <sup>8/</sup> Deficit proration of 3,293 was made. <sup>9/</sup> Countries without individual prorations. <sup>10/</sup> Belgium, 464; Canada, 1,138; China (Formosa), 1,465; Colombia, 1,154; Costa Rica, 1,078; Denmark, 31; Hong Kong, 20; Netherlands, 1,287; total, 6,437. <sup>11/</sup> Applications being held pending availability of quota comprise: Canada, 558; China (Formosa), 800; Netherlands, 3,214; total, 4,572. <sup>12/</sup> Charges to quotas exclude the first 10 tons entered under Section 212 (1) by each country listed and also by Germany (Fed. Rep.), Panama, the United Kingdom, Venezuela, Br. Guiana and Dutch Guiana, plus the first 10 tons entered under Section 212 (2) by Canada. <sup>13/</sup> Charges to quotas exclude 25,106 gallons by United Kingdom, 600 gallons by Australia, 500 gallons by Canada and 94 gallons by the Union of South Africa under Section 212(3).

Note: Subject to revision when final outturns and polarizations are received.



Table 14. -Comparison of charges to quotas and offsets to drawback of duty  
January-December 1956 and 1955

(short tons, raw value and percentages)

Area	1956	1955	Increase		Decrease	
	Tons	Tons	Tons	Percent	Tons	Percent
Domestic beet	1,955,401	1,797,327	158,074	8.8		
Mainland cane	601,696	498,799 <sup>1/</sup>	102,897	20.6		
Hawaii	1,091,397	1,052,004	39,393	3.7		
Puerto Rico	1,135,088	1,079,562	55,526	5.1		
Virgin Islands	12,379	9,942	2,437	24.5		
Republic of the Philippines	983,249	977,375	5,874	0.6		
Cuba	3,091,558	2,866,647	224,911	7.8		
Other foreign countries	127,220	119,113	8,107	6.8		
Total	8,997,988	8,400,769	597,219	7.1		
<u>Details of other foreign countries</u>						
Dominican Republic	42,472	32,745	9,727	29.7		
El Salvador	0	0				
Haiti	3,395	3,200	195	6.1		
Mexico	12,087	13,516			1,429	10.6
Nicaragua	3,460	7,787			4,327	55.6
Peru	59,369	55,918	3,451	6.2		
Unspecified <sup>2/</sup>	5,437	5,947	490	8.2		
Total	127,220	119,113	8,107	6.8		

## LIQUID SUGAR

(wine gallons of 72 percent total sugar content)

Cuba	7,944,092	7,970,549			26,457	0.3
Dominican Republic	830,894	806,137	24,757	3.1		
British West Indies	0	0				

<sup>1/</sup> Revised.<sup>2/</sup> Countries without individual proration.

Table 15.—Status of 1957 Sugar Quotas as of January 15, 1957 <sup>1/</sup>

Areas	Quota	Credit for draw- back of duty	Charge to quota & offset to draw- back of duty 2/		Unfilled balance	
			Total	Direct consump- tion from offshore areas 3/	Total	Within dir- ect consump- tion limits for offshore areas
Short tons, raw value						
Domestic beet	1,909,188		40,000 4/		1,869,188	
Mainland cane	587,476		65,000 4/		522,476	
Hawaii	1,065,513		4,627		1,060,886	29,996
Puerto Rico	1,114,130		15,677	107	1,098,453	129,909
Virgin Islands	15,193		0		15,193	
Republic of the Philippines	980,000		41,550		938,450	59,920
Cuba	2,942,115		72,293	23,969	2,869,822	351,031
Other foreign countries	186,385		9,201	8,235	177,188	54,605
Total	8,800,000		248,348	32,311	8,551,656	625,461
Details of other foreign countries						
Peru	69,547		3,247	2,281	66,300	7,011
Dominican Republic	51,757		330	330	51,427	7,955
Mexico	34,209		0	0	34,209	15,048
Nicaragua	10,584		472	472	10,112	9,451
Haiti	5,761		0	0	5,761	5,761
Netherlands	3,313		3,204	3,204	109	109
China	3,267		836	836	2,431	2,431
Panama	3,267		0	0	3,267	3,267
Costa Rica	3,264		0	0	3,264	3,264
Canada	631		589	589	42	42
United Kingdom	516		516	516	0	0
Belgium	182		0	0	182	182
British Guiana	84		0	0	84	84
Hong Kong	3		7	7	0	0
Total	186,385		9,201 5/	8,235	177,188	54,605

LIQUID SUGAR

(wine gallons of 72 percent total sugar content)

Cuba	7,970,558	562,450	7,408,108
Dominican Republic	830,894	2,244	828,650
British West Indies	300,000	0	300,000

<sup>1/</sup> No sugar entered for re-export of livestock feed purposes to date.<sup>2/</sup> These data include the following: (a) Domestic beet and mainland cane sugar estimated as marketed against allotments January 1 through 15, 1957; (b) raw sugar from Hawaii, and all sugar from the Republic of the Philippines and Cuba entered through January 15, 1957 as shown by quota clearance papers received in the Sugar Division by January 15, 1957; and (c) direct-consumption sugar from Hawaii, and all sugar from Puerto Rico, the Virgin Islands and "other foreign countries" entered or certified for entry as of January 15, 1957.<sup>3/</sup> Includes raw sugar for direct-consumption, Cuba, 2,541.<sup>4/</sup> Estimated<sup>5/</sup> Charges to quotas exclude the first 10 tons entered under Section 212 (1) by each country listed and also by Dutch Guiana and Venezuela plus the first 10 tons entered under Section 212 (2) by Canada.

Table 16.-Deliveries of Sugar by Primary Distributors by States, November 1956

State	Cane sugar refiners	Beet sugar processors	Importers of direct- consumption sugar	Mainland cane sugar mills	Total
<u>100-pound bags 1/</u>					
NEW ENGLAND					
CONN	93264	1	860	400	94525
ME	48666				48666
MASS	405010		3700	200	408910
NH	21171				21171
RI	39031		900		39931
VT	25573				25573
TOTAL	632715	1	5460	600	638776
MID ATLANTIC					
NJ	581423	6	9732		591161
NY	1400002	24860	14208		1439070
PENN	901847	28910	84672	37	1015466
TOTAL	2883272	53776	108612	37	3045697
N CENTRAL					
ILL	745590	710479		30152	1486221
IND	212237	62346	619	4006	279208
IOWA	55986	100667		610	157263
KAN	44807	50032			94839
MICH	176434	216801		4005	397240
MINN	64026	143906		1	207933
MO	204408	98089			302497
NEBR	29698	98657			128355
N DAK	268	27819			28087
OHIO	575949	101955	740	4102	682746
S DAK	3377	20937			24314
WISC	125792	153409		7400	286601
TOTAL	2238572	1785097	1359	50276	4075304
SOUTHERN					
ALA	148316			4354	152670
ARK	68639	1700		1	70340
DEL	19331				19331
DC	39910		1800		41710
FLA	124569		81505	3335	209409
GA	383656		16153		399809
KY	150553			1	150554
LA	235596			8071	243667
MD	286247		14390		300637
MISS	135361			2385	137746
NC	222765		25028		247793
OKLA	79159	28788			99720
SC	161530		11086		180843
TENN	225442		625	825	226892
TEXAS	399730	151887	5472	814	537903
VA	169078		30358	5	199441
WVA	83943	1000	365		85308
TOTAL	2933825	163375	186782	19791	3303773
WESTERN					
ARIZ	28539	15598			44137
CALI	490951	526364	11471		1028786
COLO	10855	73670		870	85395
IDAHO	4857	18180			23037
MONT	1863	26602			28465
NEV	4170	723			4893
N MEX	10833	16764			27597
ORE	60068	51879			111947
UTAH	8334	53481			61815
WASH	67711	93689	5000		166400
WYO	784	8964			9748
TOTAL	688965	885914	16471	870	1592220
ST UNKNOWN		25317 CR			25317 CR
GRAND TOTAL	9377349	2862846	318684	71574	12630453

1/ Granulated sugar (including softs and turbinado) reported on delivered weight basis. Liquid sugar portion of deliveries reported on basis of sugar solids content.



Table 17.-Sugar: Prices, production, and stocks

Period	Prices (Gross) 1/					
	Raw cane		Refined cane, quoted wholesale			
	N.Y. duty paid	World fas, Cuba	New York	Gulf	Chicago-West	Pacific Coast
	Cents per pound					
1949-54 annual av.	6.07	4.28	8.40	8.35	8.36	8.41
1954 annual av.	6.09	3.26	8.72	8.55	8.56	8.50
1955 annual av.	5.95	3.24	8.59	8.50	8.49	8.53
1956						
January	5.88	3.26	8.65	8.55	8.50	8.65
February	5.88	3.28	8.65	8.55	8.50	8.65
March	5.95	3.34	8.65	8.55	8.50	8.65
April	6.02	3.31	8.66	8.55	8.55	8.68
May	6.03	3.36	8.75	8.55	8.60	8.75
June	6.00	3.36	8.75	8.55	8.60	8.75
July	6.11	3.40	8.75	8.56	8.60	8.75
August	6.10	3.34	8.75	8.55	8.53	8.75
September	6.09	3.24	8.75	8.55	8.50	8.75
October	6.29	3.24	8.83	8.62	8.57	8.75
November	6.33	3.92	8.95	8.75	8.70	8.79
December	6.37	4.77	9.10	8.90	8.85	9.10
1956 annual av.	6.09	3.48	8.77	8.60	8.58	8.75

Period	Prices (Gross) (continued) 1/			
	Refined beet, quoted wholesale			Refined, retail
	Eastern	Chicago-West	Pacific Coast	U.S. average
	Cents per pound			
1949-54 annual av.	8.22	8.16	8.31	10.13
1954 annual av.	8.50	8.35	8.40	10.52
1955 annual av.	8.39	8.29	8.43	10.42
1956				
January	8.45	8.30	8.55	10.50
February	8.45	8.30	8.55	10.48
March	8.45	8.30	8.55	10.48
April	8.46	8.35	8.58	10.52
May	8.55	8.40	8.65	10.52
June	8.55	8.40	8.65	10.58
July	8.55	8.40	8.65	10.58
August	8.48	8.33	8.65	10.58
September	8.45	8.30	8.65	10.58
October	8.45	8.37	8.65	10.62
November	8.65	8.50	8.69	10.66
December	8.74	8.65	9.00	
1956 annual av.	8.52	8.38	8.65	10.55 2/

Period	Production and month-end stocks, refined			
	Production		Month-end stocks	
	Cane sugar refiners	Beet processors	Cane sugar refiners	Beet processors
	1,000 short tons, raw value			
1949-54 monthly av.	480	144	248 3/	729 3/
1954 monthly av.	475	166	254 3/	810 3/
1955 monthly av.	502	150	236 3/	860 3/
1956				
January	493	86	289	1,254
February	441	18	288	1,145
March	492	16	295	1,015
April	530	21	309	904
May	541	37	332	810
June	534	51	310	698
July	602	20	304	531
August	604	15	288	323
September	537	113	268	212
October	595	538	218	584
November	497	608	225	1,039
December 4/	433	437	246	1,278
1956 annual av.	527	163	281	816

1/ Quoted wholesale refined prices represent the current quotations of cane refiners and beet processors even though orders sometimes are taken on a day to day basis at a lower price and allowances in specific areas are being made. 2/ 11 month average. 3/ Over-quota stocks at the end of the year included. 4/ Preliminary.

Table 18.-Direct Consumption Sugar: Continental United States receipts by ports or custom districts of entry, 1938-1956

Year	<u>Port of entry</u>							Los Angeles, Calif.
	New York <sup>1/</sup>	Balto. Md.	Phila. Pa.	Wilm. N.C.	Chas. S.C.	Mobile, Ala.	New Orleans, La.	
	<u>1,000 short tons, raw value</u>							
1938	196	88	44	23	27	8	13	29
1939	188	71	65	33	34	15	8	34
1940	217	57	51	32	30	23	13	40
1941	186	75	61	20	22	17	13	29
1942	100	7	22	9	17	59	67	-
1943	121	1	1	1	1	24	16	-
1944	94	12	-	12	7	35	13	-
1945	149	-	3	4	-	22	36	-
1946	196	155	7	1	4	3	9	-
1947	163	207	18	15	-	6	9	10
1948	135	178	41	20	2	4	2	2
1949	116	165	55	23	2	2	3	2
1950	118	149	64	29	5	3	7	-
1951	109	139	51	30	9	2	1	4
1952	114	151	42	35	8	-	3	2
1953	133	129	45	38	9	1	-	4
1954	114	131	40	44	9	-	-	2
1955	130	127	37	34	10	-	2	7
1956 5/	116	121	39	3	41	-	9	4

Port or custom district of entry

Year	Savannah Ga.	Boston Mass.	Florida custom district	Virginia custom district	Wash. & Oregon custom dist.	Galveston custom district	Other	Total
<u>1,000 short tons, raw value</u>								
1938	-	1	49	36	48	7	33 <sup>2/</sup>	602
1939	-	1	38	59	44	3	17	610
1940	5	11	54	45	28	10	7	623
1941	-	13	51	36	35	4	13	575
1942	-	2	164	23	-	11	8 <sup>3/</sup>	489
1943	-	1	311	5	-	6	32 <sup>3/</sup>	520
1944	-	1	296	6	-	-	4	480
1945	-	1	235	-	-	14	-	464
1946	39	1	67	3	-	-	3	488
1947	44	4	46	8	2	1	16 <sup>4/</sup>	549
1948	20	6	73	20	3	1	6	513
1949	22	5	70	22	7	13	10	517
1950	1	1	86	29	29	17	6	544
1951	2	-	101	39	26	6	9	528
1952	9	1	94	39	28	19	13	558
1953	12	-	96	35	30	18	18	568
1954	5	6	112	42	34	16	21	576
1955	11	9	122	43	31	14	8	585
1956 <sup>5/</sup>	10	8	124	50	18	16	3	562

<sup>1/</sup> Includes relatively small quantities entered in Newark, N. J. in earlier years.<sup>2/</sup> Includes 7,000 tons entered in San Francisco and 10,000 tons in Chicago.<sup>3/</sup> Includes 20,000 tons entered in Laredo, Texas.<sup>4/</sup> Includes 15,000 tons entered in Gulfport, Mississippi.<sup>5/</sup> January through October.

REFERENCE GUIDE TO SUGAR REPORTS  
PUBLISHED DURING 1956

This index relates to data, special articles, and analyses, published in Sugar Reports during 1956. It supplements the reference guide to Sugar Reports through December 1954 published in Sugar Reports No. 34, February 1955 and the reference guide to Sugar Reports published during 1955 in Sugar Reports No. 45, January 1956.

The regularly recurring items which appeared in each monthly issue in 1956, except as noted below, consist of the following:

1. Market Review
2. Administrative Actions
3. Statistical Series
4.
  - a. Highlights
  - b. Receipts, meltings, production, deliveries, stocks of raw and refined sugar and, where applicable, United States total by types of primary distributors.
  - c. Charges to quotas by areas of supply.
  - d. Deliveries of sugar by States.
  - e. Sugar prices by areas, production and stocks.
  - f. Deliveries of sugar, corn sirup and dextrose, geographically, by types of buyers -- April issue (4th quarter, 1955 and the years 1954 and 1955 data), June issue (1st quarter, 1956 data), September issue (2nd quarter 1956 data), December issue (3rd quarter 1956 data).
  - g. Production, estimated crop value, field worker requirements and related data in the domestic sugar-producing areas, 1948-55 crops (September issue).
  - h. Background data for the Department's annual hearing on sugar requirements (October issue).



<u>Subject</u>	<u>Sugar Reports</u>	
	<u>No.</u>	<u>Page</u>
A		
I. <u>Acreage shifts</u>		
a. Changes in acreage planted to sugar beets, sugar yields and production	53	3-12
C		
I. <u>Classification</u>		
a. Four categories of primary sugar dis- tributors now used and principal location of firms in each category	47	43-47
II. <u>Conferences</u>		
a. United Nations Sugar Conference, New York, May 21 - June 20, 1956	{ 49 50	3-4 3
b. United Nations Sugar Conference and International Sugar Council Session, Geneva, October 4 - November 2, 1956	55	7-10
III. <u>Contracts</u>		
a. Contract for refining bulk raw sugar purchased under surplus over-quota program	47	15
D		
I. <u>Distribution</u>		
a. Bulk dry sugar deliveries by cane sugar refiners	48	3-6
b. Cane and beet sugar distirubtion first half 1956	52	3-5
c. Deliveries of sugar by types of buyers, 1949, 1954, and 1955	48	6-8

<u>Subject</u>	<u>Sugar Reports</u>	
	<u>No.</u>	<u>Page</u>
D (contd)		
I. <u>Distribution</u> (contd)		
d. The growth of liquid sugar deliveries, 1949 - 1955	50	4-11
e. Quarterly sugar deliveries by types of buyers and regions, 1949-54 averages	47	4-12
I		
I. <u>International Sugar Problems</u>		
a. Address by Lawrence Myers, Director of Sugar Division, USDA, before the Sugar Club of New York, February 20, 1956	46	3-11
P		
I. <u>Polarization</u>		
a. Polarization of raw and direct consumption sugar entries, January-July 1956	52	18
II. <u>Prices</u>		
a. Refined sugar pricing system	55	4-7
III. <u>Purchase Programs</u>		
a. Program for purchase of surplus over- quota sugar in mainland cane and sugar beet areas	45	3-4
S		
I. <u>Statistics</u>		
a. Supplement to "Sugar Statistics" Volume II	56	23-34

<u>Subject</u>	Sugar Reports	
	<u>No.</u>	<u>Page</u>
S (contd)		
II. <u>Stocks and movement of sugar</u>		
a. "Invisible" stocks and movement of sugar 1954 and 1955	47	13-14
III. <u>Sugar Act</u>		
a. New provisions of the <b>Sugar Act</b>	49	12-34
b. Proposed changes in the Sugar Act; Testimony of True D. Morse, Under Secretary of Agriculture, before the Senate Finance Com- mittee, January 16, 1956	45	5-8
c. Proposed testimony for hearing with respect to definitions, re- fining processes and qualities of sugars, July 30, 1956	51	5-17
d. Summary of amendments to Sugar Act	49	4-11